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Accused Spy Is Permitted Bond-Raising Assistance

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Accused spy Richard Craig Smith can use letters of credit and real estate from family and friends as collateral for his \$500,000 bond, a federal judge in Alexandria ruled yesterday. Defense attorneys for Smith said they hope to have him released within the next two weeks.

Smith, a former Army counterintelligence specialist, is charged with disclosing the identities of six U.S. double agents to a Soviet KGB officer for \$11,000. If convicted, he could be sentenced to life in prison. Smith has been held at the Fairfax County jail since he surrendered to the FBI at Dulles International Airport on April 4. His trial has been set for July 9.

William B. Cummings, one of Smith's two attorneys, said he hoped to implement the bond conditions "within the next seven working days." If Smith is released, the judge agreed to allow him to live with family friends in McLean and ordered him to make daily telephone reports to federal marshals.

The attorneys told U.S. District Court Judge Albert V. Bryan Jr. that their efforts to build Smith's defense have been stymied because Smith, 40, of Bellevue, Wash., has been reluctant to talk in a jail cell equipped with television monitors for fear of incurring additional federal charges.

"He is paranoid," A. Brent Carruth, Smith's other attorney, told the judge. "Craig is charged with giving up [classified] government information and any dissemination is a felony," Carruth told reporters later.

"He is still very protective of the United States and unwilling to share that information."

Smith, a staff sergeant, worked for the Army Intelligence and Security Command from July 1973 until January 1980, the last seven of his 13 years in the Army. He was in charge of one double-agent operation, "Royal Miter" from October 1976 to July 1978, according to the indictment against him.

Federal prosecutors have charged Smith with disclosing the identity of "Royal Miter" and five other double-agent operations to Victor I. Okunev, a Soviet KGB officer, in three meetings occurring between November 1982 and February 1983 at the Soviet commercial compound in Tokyo.

Prosecutors also have claimed that Smith knew of as many as 24 similar double-agent operations. The double agents are U.S. military personnel who pretend to be disloyal to the United States and to cooperate with a hostile intelligence service, such as the KGB.

A source close to Smith said that while the "Royal Miter" operation, which federal authorities have acknowledged as being the most important of the six double-agent operations, was indeed "a heavy operation," it had stopped functioning six years before Smith allegedly told the Russians about it.

Assistant U.S. Attorney Joseph Aronica declined to comment yesterday on the sensitivity of the double-agent operations.

Family and friends raised \$739,000 for Smith's bond: \$300,000 in eight letters of credit from six local banks in Utah, California, Washington and New Mexico, and \$439,000 in the net value of real es-

tate from eight homeowners in Colorado, Utah, Washington, Arizona and California, according to court papers. Two of the homeowners are Lane Smith, one of Smith's five brothers, and Macksine Rux, an aunt.

Smith, whose father is a bishop in the Mormon church, at one time had a position of leadership in the church himself, according to his family and friends. He is a native of Utah. His parents, Hyrum and Dorothy, live in Bellevue, the Seattle suburb where Smith had been living with his wife and four children before his arrest.

Bryan ordered that the letters of credit be irrevocable and include a

provision stating that the amount be paid to the federal court in Alexandria if Smith fails to appear in court for his trial. He also required defense attorneys to identify to federal prosecutors the individuals behind the letters of credit.

"I don't want some corner store operation issuing a \$100,000 letter of credit," he said.

Bryan also accepted only 50 percent of the equity of the real estate and ordered that appraisals be obtained and approved by the U.S. Attorney's Office in the districts where the properties are located. He also required a note of personal obligation from the property owners to pay up to 50 percent of the equity.